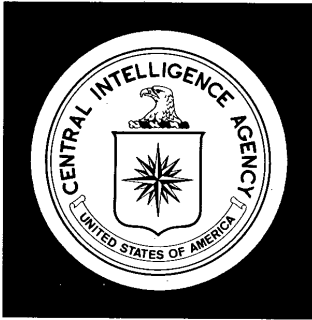




The President's Daily Brief

May 20, 1976

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~~Top Secret~~ 25X1

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Table of Contents

Lebanon: Leftist leader Jumblatt finally met with president-elect Sarkis yesterday and concluded a tentative agreement on a cease-fire. (*Page 1*)

Syria-Egypt: The meeting of prime ministers scheduled to begin in Riyadh yesterday was postponed indefinitely at the last minute. (*Page 1*)

Romania-USSR: There are rumors in Bucharest that reserves are being called up because of a fear of Soviet intervention. (*Page 2*)

China: Two Chinese oceanographic research ships are about to return home after an unprecedented seven-week voyage some 4,000 nautical miles from the China coast. (*Page 3*)

Notes: USSR; Portugal; Canada-India; USSR-Mozambique (*Pages 4 and 5*)

FOR THE PRESIDENT ONLY

LEBANON: *Leftist leader Kamal Jumblatt finally met with president-elect Ilyas Sarkis yesterday and, according to press reports, concluded a tentative agreement on a cease-fire.*

We have not yet received details on the agreement, but unconfirmed press reports claim that Sarkis guaranteed Christian adherence to the truce and promised that President Franjiyah would resign if the cease-fire holds for eight days. The truce apparently will go into effect by Friday.

Jumblatt said in a statement last night that he had not officially accepted the truce proposal and that final approval had to await a meeting of leftist representatives.

on Tuesday Jumblatt and his allies had agreed in principle to a truce. They reportedly were prepared to accept a cease-fire followed by a "roundtable" dialogue with Sarkis as chairman.

Syrian President Asad also agreed to this formula. Phalangist leader Pierre Jumayyil--who has recently been cooperating closely with Damascus--announced yesterday that he would also go along with the dialogue proposal.

Heavy fighting continued in the mountains east of Beirut yesterday, despite the press announcement of the truce. Neither side, however, has made any significant territorial advances in the past few days.

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SYRIA-EGYPT: *The meeting of Egyptian and Syrian prime ministers scheduled to begin in Riyadh yesterday was postponed indefinitely at the last minute.*

No explanation was given for the postponement, but an Egyptian news service report suggested that the initiative for the delay was Cairo's. Egypt had insisted that it would not entertain discussion of the Sinai agreement during the

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meeting, and it is possible that Sadat refused to participate without assurances that the subject^{25X1} would not be raised.



The Saudi and Kuwaiti foreign ministers are now scheduled to visit Cairo on Saturday, presumably in an attempt to get the meeting back on track. The Kuwaiti foreign minister said yesterday he believed the meeting would open late next week.

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ROMANIA-USSR: *There are rumors in Bucharest that Romania is calling up reservists because of a fear of Soviet intervention.*

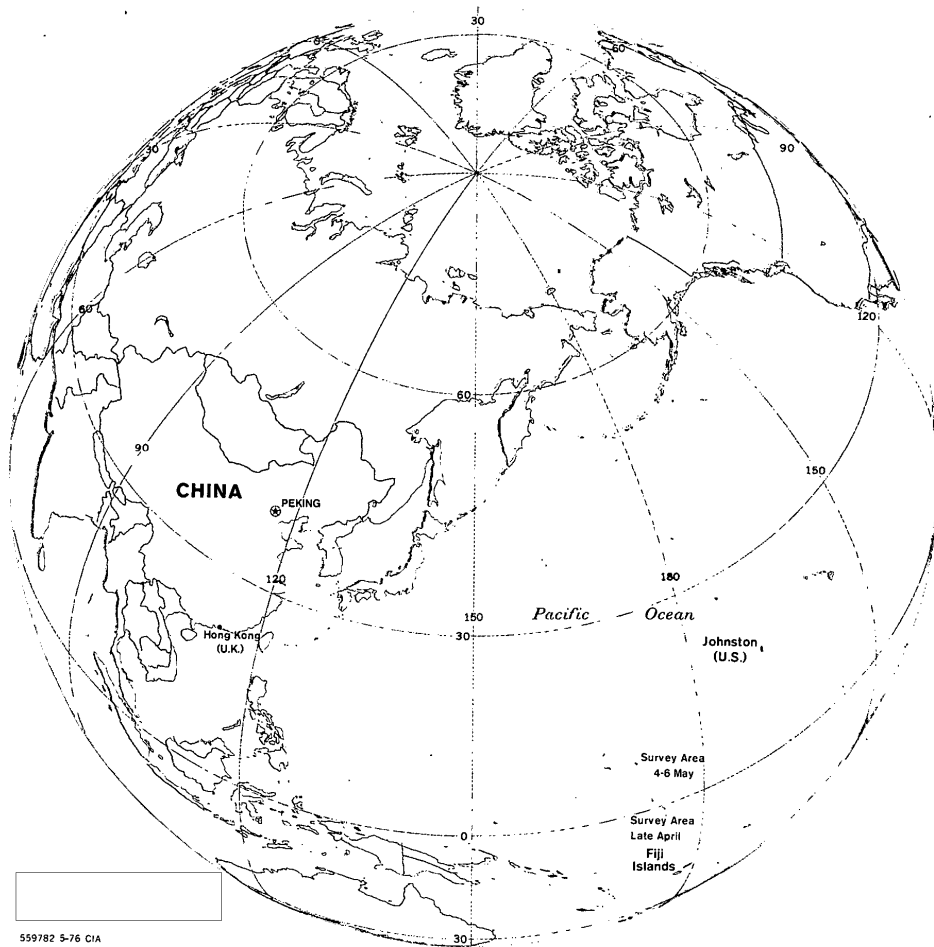
There is no evidence that a general mobilization of Romanian forces is in progress, but some reservists may have been called up to participate in regular spring field training exercises. There has been no indication of any unusual Soviet military activity ^{25X1} along the Romanian border.



 President Ceausescu, when faced with increased pressure from Moscow in the past, has used the tactic of pointing to a magnified Soviet menace in order to strengthen his country's resolve and show national unity.

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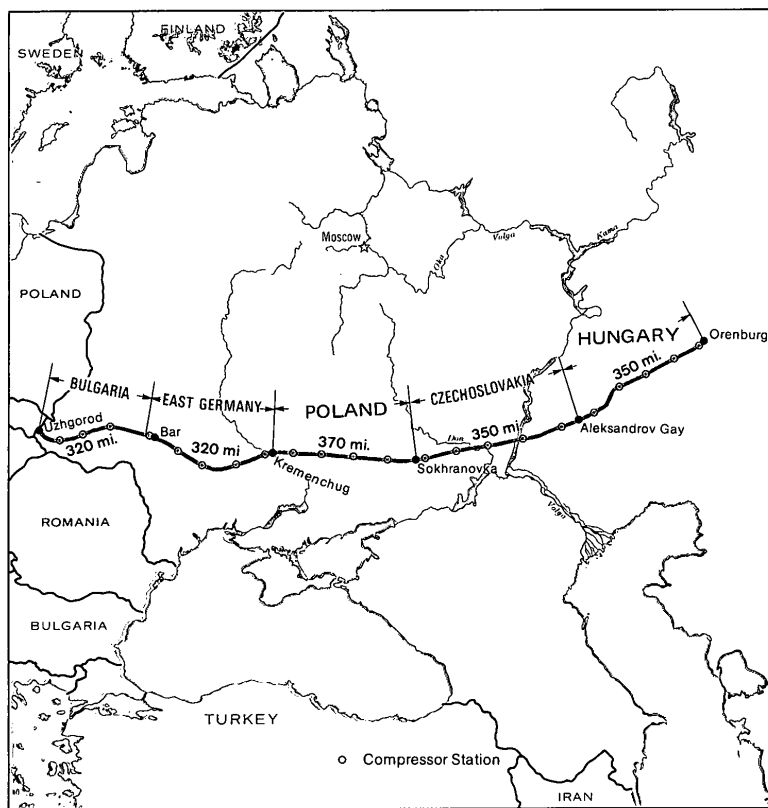
The current spate of rumors has caused some panic buying by Romanian citizens.

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CHINA: *The two Chinese oceanographic research ships are about to return to their home port in the Canton area after an unprecedented seven-week voyage some 4,000 nautical miles from the China coast.*

Peking claimed the ships were engaged in peaceful hydrographic and meteorological work.

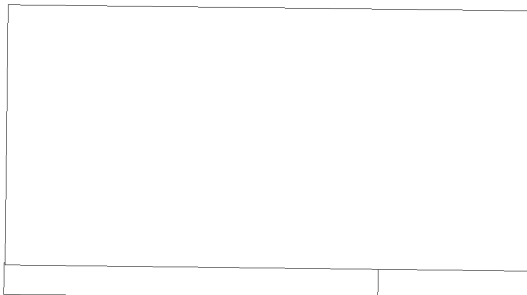
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NOTES

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The USSR has begun ordering equipment from Western Europe for the 22 compressor stations to be installed along the Orenburg gas pipeline.



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Because of the lengthy negotiations for the compressors, full operating capacity of the pipeline will not be attained until late 1980 or 1981. It will stretch 2,750 km (1,708 miles) from the large Orenburg natural gas field in the southern Urals to Uzhgorod at the Czech border, and at full capacity will supply Europe with up to 29 billion cubic meters of gas annually.

* * *

Socialist leader Mario Soares of Portugal appears to have made substantial progress toward a post-election arrangement with the two rival democratic parties by successfully playing upon their desire to minimize Communist Party influence in the next government.

Following an amicable meeting with Soares, Popular Democratic Party chief Sa Carneiro, an erstwhile foe of Soares' plans to form a minority Socialist government, now says he has promised his party's "quiet cooperation." The Socialists are also conferring frequently with the center-right Social Democratic Center.

The talks so far seem to suggest that the two rival parties are increasingly inclined to rally behind key Socialist policies and programs, although the details will still have to be worked out in the legislature on a case-by-case basis.

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FOR THE PRESIDENT ONLY

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Canada's decision not to resume nuclear assistance to India removes a major constraint on India's conduct of a second nuclear test.

The Canadian cabinet rejected a proposed agreement for resuming Canadian aid, initialed in New Delhi last March [REDACTED]

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India is likely to resume its testing program, but the timing of the next test will be influenced heavily by political factors. Prime Minister Indira Gandhi may decide to defer the test because it could jeopardize an agreement with Pakistan to restore diplomatic relations and transportation links by late July. New Delhi may also calculate that an early test might adversely affect upcoming hearings by the US Nuclear Regulatory Commission on the release of fuel for an Indian power reactor.

* * *

The Soviets have given a warm welcome to Mozambican President Samora Machel, who arrived in Moscow on Monday for an official state visit.

Soviet media have heaped effusive praise on Machel, emphasizing that the USSR is the first non-African country to receive the President since Mozambique gained independence last June.

At the welcoming banquet, Soviet President Podgorny praised Moscow's "consistent and principled" record of support for African liberation struggles and clearly implied that the Soviet Union was prepared to continue making military aid available to liberation forces in southern Africa. No mention has yet been made of new military or economic aid for the Machel regime.

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